

October 2024

Master Account
Net Asset Value: 179.49 (+0.60%)

October Monthly Strategy Update

Equity markets came through the traditionally weak period of August-October unscathed at the index level. After a muted October (-0.99%), the final tally for the three-month period left the S&P 500 up +3.3%. Naysayers could say that risk assets were being supported by certain actors (government intervention, direct or indirect) ahead of the U.S. election. Obviously, it behooves the incumbent party to have a strong stock market, as high 401-K accounts make for happy voters. But now, looking forward to year-end, we are left with several headwinds, even if this is the seasonally strongest period of the year for risk assets. A few salient points that we are weighing in deciding our portfolio allocations include the inevitable reduction in fiscal stimulus post-election (especially if Trump is elected), the fallout the massive government spending of late, contagion of black swan events like the Super Micro accounting issue, and the rich stock valuations today.

Our QES Strategy edged higher in October (+0.60%), maintaining a defensive posture (67% T-bills), while the S&P 500 Equal Weight slid -1.60%. Equities have come a long way since the October 2023 low. While rotation will be the predominant theme for now (catch up of the S&P 493 to the Mag 7), we believe equity gains have been pulled forward (don't expect the S&P 500 to rise +25% a third year in a row) and holding short duration paper with a yield superior to the stock dividend year is the most prudent strategy. Even if equity markets do nothing, the higher yield in T-Bills should prove to be the winning strategy. Our best performers in September were B2Gold (+10.0%), Bristol-Myers (+9.0%), Gold Fields (+7.9), and Cathay Bancorp (+7.0%).

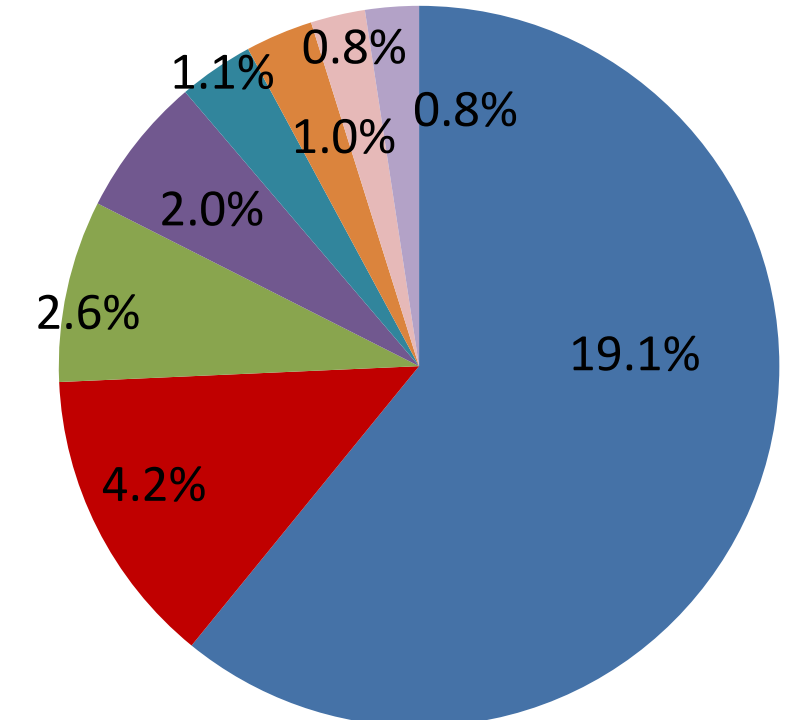
Portfolio Data

Number of Holdings	33
Currency	USD
Current Risk Level (β & σ)	Ext. Low
Dividend Yield	4.16%
Forward Price/Earning Ratio	12.1
52-Week High & Low	179.5 & 157.8

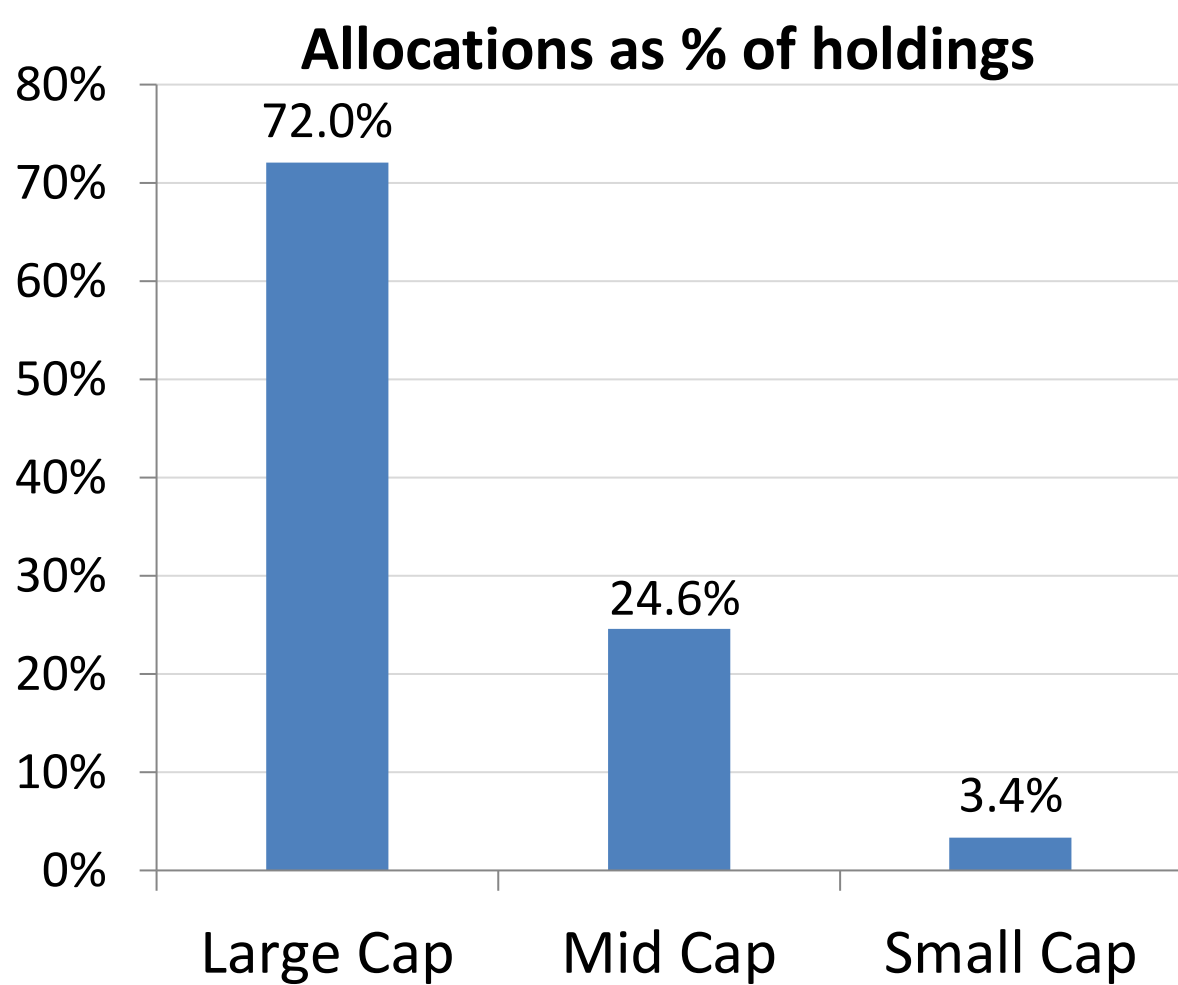
Country Weightings

U.S.	19.1	Sweden	0.8
Canada	4.2	Germany	0.8
France	2.6		
U.K.	2.0		
S. Africa	1.1		
Indonesia	1.0		

Country Weightings (%)



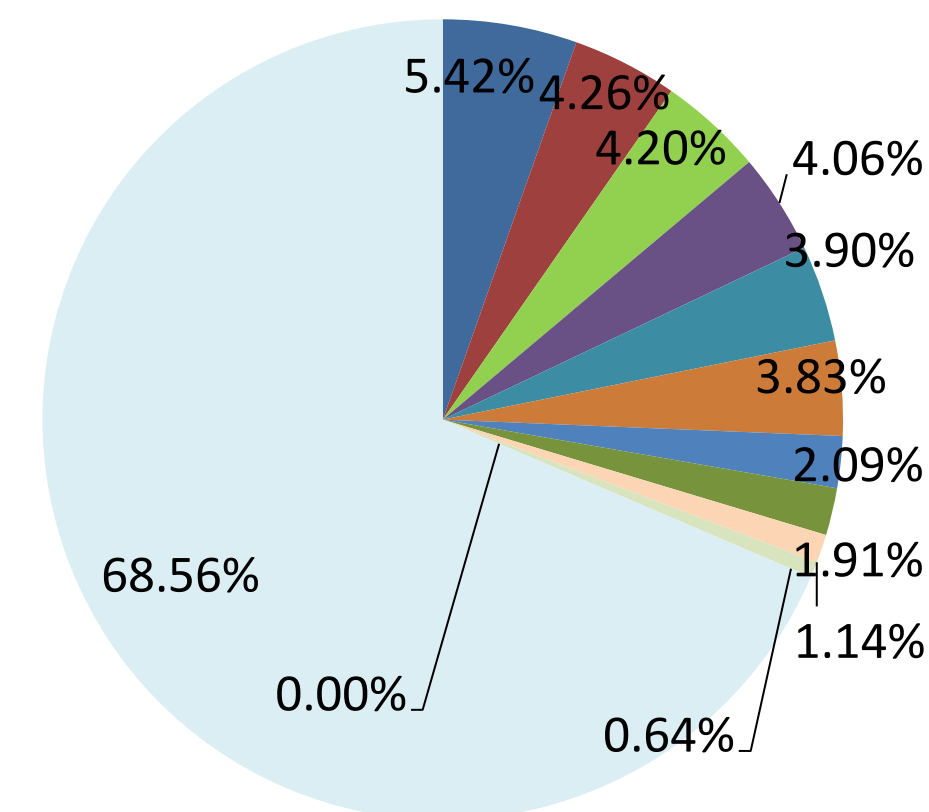
Market Capitalizations



Sector Weightings

Sector	%
Materials	5.4
Financials	4.3
Utilities	4.2
Consumer Discretionary	4.1
Communication Services	3.9
Health Care	3.8
Staples	2.1
Industrial	1.9
Real Estate	1.1
Energy	0.6
Technology	0.0
Cash	68.6

Sector Weightings (%)



Historical Performance

Risk Characteristics

	Annualized Volatility	Beta	Sharpe Ratio
WMA QES Strategy	12.1%	0.48	2.22
S&P 500 EW Index	18.0%	1.00	1.83
EAFE Index	15.9%	1.00	0.90

Price Return

as of 10/31/2024

	YTD	1-Year	2-Year	3-Year	Since Inception
WMA QES Strategy	6.29%	13.7%	34.4%	28%	79.5%
S&P 500 EW Index	11.72%	29.8%	26.3%	11.7%	103.5%
EAFE Index	5.23%	18.6%	33.6%	-1.6%	37.2%

Quantitative Equity Selection Strategy

